

**AMENDED AND RESTATED
DECLARATION
OF
RESTRICTIVE COVENANTS
OF RUNAWAY BAY**

THIS AMENDED AND RESTATED DECLARATION OF RESTRICTIVE COVENANTS OF RUNAWAY BAY hereinafter "Restrictions" is made this 15th day of April 2008 by RUNAWAY BAY HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association," This Declaration hereby amends and replaces the Declaration of Restrictive Covenants executed by River Oaks Investments of Virginia, Inc., on the 6th Day of October 1998 and all subsequently recorded Declarations.

WITNESSETH:

WHEREAS, the subdivision known as RUNAWAY BAY is more particularly described by plat(s) for Phases I through XX thereof recorded in the Clerks' Offices of the Circuit Courts of Bedford County and Campbell County, Virginia; and

WHEREAS, the lots comprising Runaway Bay are so situated as to comprise a neighborhood unit used for single family purposes, subject to the provisions hereinafter set forth; and

WHEREAS, the use and occupancy of the property have been made subject to these Restrictions, and the Declaration of Covenants, Conditions and Restrictions of RUNAWAY BAY and RUNAWAY BAY Homeowners Association, Inc., hereinafter "Declaration", recorded separately in the Offices of the Campbell County and Bedford County Circuit Court Clerks for the benefit, and protection of the property and for the mutual protection, welfare and benefit of the present and the future owners thereof; and

WHEREAS, the Association, desires to amend the original Declaration and Restrictions governing Runaway Bay; and

WHEREAS, the Association desires to continue to provide for the preservation of the values of RUNAWAY BAY made subject to these Restrictions and the Declaration and for the preservation and maintenance of the Common Property established by the Declaration and by the supplements thereto.

"NOW, THEREFORE, In accordance with the recitals which by this reference are made a substantive part hereof, the Association declares that all of the property described herein on above said recorded plat(s) shall continue to be subject to these Restrictions and the Declaration and shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of RUNAWAY BAY as it now exists and is hereafter expanded and that such easements, restrictions, covenants and conditions shall burden and run with said property and be binding on all parties now or hereafter owning said real property and their respective heirs successors and assigns, having any right, title or interest in the properties now or hereafter subjected to these Restrictions and the Declaration, or any part thereof, and

shall inure to the benefit of each owner thereof and their respective heirs, successors and assigns.

PROPERTY SUBJECT TO THESE RESTRICTIONS AND THE DECLARATION
AND ADDITIONS THERETO

1. Existing Property. The real property which is and shall be held, Transferred, sold, conveyed and occupied subject to these Restrictions and the Declaration, irrespective of whether there may be additions thereto as hereinafter provided, is located in Campbell County and/or Bedford County, Virginia and is shown on maps of the various phases of Runaway Bay recorded in the Offices of the Campbell County and Bedford County Circuit Court Clerks.

2. Additions to Existing Property. Additional property may be brought within the scheme of these Restrictions and the Declaration and the jurisdiction of the Association:

(a) Additional residential property and common area, consisting of not more than five hundred (500) acres, outside of the area may be annexed to the properties and brought within the scheme of these Restrictions and the Declaration and the jurisdiction of the Association or its members; provided, however, that said annexations, if any, must occur within ten (10) years after the date of this instrument.

(b) The additions authorized under subsection (a) shall be made by filing of record Supplementary Declarations of Restrictive Covenants of RUNAWAY BAY and by filing of record Supplementary Declaration of Covenants, Conditions, and Restrictions of RUNAWAY BAY and RUNAWAY BAY Homeowners Association, Inc., with respect to the additional properties which shall extend the scheme of these Restrictions and the Declaration and the jurisdiction of the Association to such properties and thereby subject such additions to assessments for their just share of the Association's expenses. Said Supplementary Declarations may contain such complementary additions and modification of these Restrictions and the Declaration as may be necessary.

GENERAL USE RESTRICTIONS

The Association does hereby covenant and agree with all persons, firms or corporations hereafter acquiring title to any portion of the Property that the Property is hereby subject to these Restrictions as to the use thereof and do agree, publish and declare that the deeds hereinafter made by it to purchasers of the property shall be made subject to the Declaration and to the following Restrictions:

1. Except as otherwise provided in these Restrictions, the lots shall be used for residential purposes-only, and no structure shall be erected, placed, altered or permitted to remain on any lot other than one detached, single-family dwelling and related structures incidental to the residential use of the lot, such as garages and boat houses, which otherwise comply with the Restrictions.

2. Each single-family dwelling shall have an enclosed heated living area (exclusive of open porches, garages, and other unheated spaces) not less than One Thousand Six Hundred (1,600) square feet. The design, location, and

construction of, all improvements on each lot (regardless of when such improvements are made) and the landscaping of each lot must be approved in advance by the Architectural Review Committee, hereinafter referred to as the "Committee", which Committee is established pursuant to the Declaration.

3. All Improvements to the lot must comply with Campbell County or Bedford County setback requirements or those set out in the recorded plat.

4. More than one lot or portions thereof may be combined to form one or more lots with the written consent of the Association. No lot may be subdivided by sale or otherwise except with the written consent of the Association. Upon combination or subdivision of lots, the building line requirements prescribed herein shall apply and the easements reserved herein shall be applicable to the rear, side and front lot lines of such lot as combined or subdivided. The resulting building site and structures erected thereon must otherwise comply with these Restrictions and the new property line of the resulting building site shall be used to compute the set-back lines as set forth herein.

5. All connections of private driveways to the RUNAWAY BAY road system, and all connections of private easements and right-of-ways to that road system shall be constructed and maintained in accordance with the rules, regulations and specifications of the Commonwealth of Virginia as approved by the Architectural Review Committee of RUNAWAY BAY Homeowners Association, Inc. (hereinafter the "Committee").

6. There shall be no signs, fencing, or parking permitted within the road right-of-way.

7. No building, fence, wall, pool, outbuilding, driveway, or any other accessory feature to the dwelling or any other structure upon any lot shall be commenced, erected, placed, maintained or altered on any lot or combination of contiguous lots until the Complete Construction Plans (hereinafter "Plans") are approved in writing by the Architectural Review Committee or its designated agents. The Committee's refusal or approval of plans may be based upon purely aesthetic considerations, which in its sole discretion the Committee shall deem sufficient, but approval shall not unreasonably be withheld. One copy of all plans and related data shall be furnished to the Committee for its records. If no action is taken by the Committee within thirty (30) days after plans are submitted to it, the owner may proceed to build without approval.

8. Construction of new residential buildings only shall be permitted, it being the intent of this covenant to prohibit the moving of any existing building or portion thereof on a lot and remodeling or converting the same into a dwelling unit in this subdivision.

9. With the exception of construction which is interrupted or delayed due to physical damage to the work in progress (such as damage due to fire, lightning, windstorm, hail, riot or civil commotion, explosion, or theft), any dwelling constructed upon a lot must be completed within one (1) year subsequent to commencement of construction, except with the written consent of the Association or if the Association so designates, by the Committee. The normal period of completion time for outbuildings or other improvements shall be presumed to be four (4) months from the issue date of the building permit. In the event that completion of the dwelling, outbuildings, or other improvements on any lot is not completed within one year, and it is

determined that construction progress has diminished to such an extent that completion of the dwelling, outbuildings, or other improvements is unlikely within 120 days, the Association will be advised of this determination. The Association shall have the right to give notice to the owner that the owner has the obligation, within 30 days, to complete the removal of all the construction work in progress, including without limitation, the foundation and all building improvements and all stored building materials, and fill and grade the lot so it is restored to its natural grade level, and the Association shall have the right to undertake this work upon owner's failure to do so and charge the cost to the owner and place a lien upon the lot upon the owner's failure to pay these charges.

10. No trailer, truck, van, mobile home, tent, camper, barn, garage, or other outbuilding or temporary structure parked or erected on lots in this Subdivision shall at any time be used as a residence, temporarily or permanently, nor shall any structure of a temporary character be used as a residence provided, however, that this prohibition shall not apply to shelters used by the contractors during the construction of the main dwelling house, it being clearly understood that these temporary shelters will not be permitted to remain on any lot after completion of construction. The Committee shall have the right to approve or disapprove these temporary construction shelters or vehicles. The Committee, upon approval of a temporary construction shelter or vehicle, will issue a letter stating the length of time such shelter will be allowed to remain upon such lot and where such shelter is to be located upon such lot.

11. All homes constructed in RUNAWAY BAY must be supplied with water for normal domestic use from individual privately drilled wells, or from a public utility company, if available. Each individual owner shall locate the well drilled on such owner's lot so as to comply with all the governmental regulations regulating the minimum distance between such well and septic fields proposed or approved for owner's lot and all lots adjoining such owner's lot. Before drilling a well, and in conjunction with submission of Plans for Committee approval, each owner must submit a site plan locating the proposed building site, drainage and repair septic field and well site.

12. Exposed exterior walls composed of the following materials shall be prohibited from RUNAWAY BAY: concrete block, imitation asphalt brick siding, imitation asphalt stone siding, and tar paper.

13. No noxious or offensive trade or activity shall be carried on upon any lot, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood. No animals or poultry of any kind, except dogs and cats and other indoor household pets. In addition, all barns, fences, outbuildings and structures of any kind must be approved in writing by the Architectural Review Committee prior to commencement of construction thereof. Each owner must see to it that all of the owner's dogs are kept on the owner's property unless leashed. No dogs shall be permitted to roam the property and the Association may have strays and dogs that are not leashed and are found off their owner's lot picked up by governmental authorities. The throwing or dumping of trash, garbage and waste materials shall not be permitted. The interference of any stream or future waterways so as to cause pollution or stagnation in these waterways is prohibited. There shall be no excavation that does not pertain to the building or construction of a home. Bottled gas containers and oil tanks shall be screened from public view. There shall be no aboveground swimming pools, unless approved by the Committee.

14. No portion or part of any lot shall be used or maintained as a dumping ground for rubbish or other refuse. Trash, garbage, or other waste shall not be kept, except in sanitary containers screened from view from all roads, all other lots, and from the Common Property.

15. In addition to the easements that are shown on the recorded plans of RUNAWAY BAY, easements ten (10) feet in width along the lot lines of all lots are reserved by the Association for installation, repair, replacement, and maintenance of utilities, including the right to keep said easements free and clear of all obstructions. An easement of twenty (20) feet is reserved for such purposes along the rear lines of all lots that do not adjoin other lots or properties within RUNAWAY BAY. As between the easements reserved by these Restrictions and the easements that are located in the same areas as shown on the record maps, the easements that are the greater in width shall be the easements that are in effect.

16. No outside clotheslines shall be permitted. No satellite dishes shall be permitted unless concealed from view from all lots and open spaces. The design of such enclosures must be approved prior to erection by the Committee. Mailboxes shall be of a design, color and choice of materials as designated by the Association, or if the Association so designates, by the Committee, and may not violate Virginia Department of Transportation standards.

17. There shall be no junk automobiles, junk of any sort, unserviceable vehicles, or salvage stored or placed or allowed to remain on or in any portion of this Subdivision. Unless located within enclosed garages, no large boat and/or boat trailer (over 28 feet in length), travel trailer, motor home, tractor trailer truck, or any other such vehicle shall be kept or maintained or located upon any lot unless and except with prior approval of the Committee. Other boats and/or boat trailers (less than 28 feet in length) must be stored behind the building setback line. No vehicles that are disabled or under repair shall be kept upon any lot unless located within enclosed garages. Unlicensed automobiles, including antique cars if present must be stored out of sight in a garage. Large trucks shall not be parked on a regular basis within this Subdivision. No lot shall be used for storage of building materials prior to the issuance of the building permit for the Primary Residence. Large truck shall be defined as any non-passenger vehicle larger than a pick-up truck.

18. No billboards or signs of any description shall be displayed upon any lot with the exception of those approved by the Association, or if the Association designates, by the Committee. All sign colors must be approved by the Association, or if the Association so designates, by the Committee. The Association also reserves the right to erect and maintain signs designating streets, boat landings, recreational areas, and any other sign.

19. Except within the building site or within 20 feet of the main dwelling, no trees of any kind in excess of 6 inches in diameter at ground level may be removed from any lot without prior approval of the Committee.

20. The Property herein described is also made subject to the Amended and Restated Declaration of Covenants, Conditions and Restrictions of RUNAWAY BAY and RUNAWAY BAY Homeowners Association, Inc. recorded separately, which Declaration is incorporated herein by reference.

21. Enforcement of these Restrictions may be at law or in equity against any person or persons violating or attempting to violate any covenant, condition or restriction herein contained. In the event of enforcement of these Restrictions at law or in equity and a violation hereof is judicially determined, then the violator shall be assessed with the costs of such action, including without limitation, reasonable attorneys' fees.

22. The Association and purchasers of lots in RUNAWAY BAY understand that the vesting of rights relating to proposed piers, docks, boat access ramps, floats, boathouses or disturbance of the shoreline buffer is subject to the terms and conditions set out by American Electric Power Company or its assigns. Zoning and Building permits are required either from Campbell or Bedford County.

23. The Association reserves the right to assign its rights to a successor who also assumes the Association's responsibilities.

24. Judicial invalidation of one or more of the provisions hereof shall not adversely affect the remainder hereof which shall remain in full force and effect.

THESE RESTRICTIONS RUN WITH THE LAND

This Amended and Restated Declaration of Restrictive Covenants of RUNAWAY BAY and the Amended and Restated Declaration of Covenants, Conditions, and Restrictions of RUNAWAY BAY and RUNAWAY BAY Homeowners Association, Inc. compose the general plan of development for the Property herein described and run with the land and shall benefit and be binding on all parties and persons (and their respective heirs, representatives, successors and assigns) claiming title to any of the Property herein described for a period of thirty (30) years from the date these Restrictions are recorded, after which time said Restrictions shall be automatically extended for successive periods of ten (10) years, unless an "Instrument" approved by an affirmative vote of at least sixty-six per cent (66%) of the lot Owners that have voted in accordance with the following procedure has been recorded agreeing to change said Restrictions in whole or in part:

All proposed amendments to this Declaration shall be submitted for approval of the Association Board. If the Board approves the amendment the Secretary of the Board shall mail ballots by first class United States mail to the address of each lot Owner of record with the Association, which ballot shall contain a vote for or against the amendment. The Secretary shall certify to the Board in writing that ballots were mailed to all lot Owners of record with the Association. Such certification shall be considered proper delivery of such ballots as of the date mailed. Ballots must be returned on or before thirty (30) days from the date mailed. Ballots received after that date will not be counted. Ballots will be counted by the Secretary and the vote certified in writing to the Board at its next meeting thereafter. A lot Owner not submitting a ballot but who wishes to vote or who has submitted a ballot but wishes to change his, her or its vote may do so at the Board meeting where the vote is certified. Any such vote or change of vote will be counted in the vote totals.

IN WITNESS WHEREOF, the Association has caused this Declaration of Restrictive Covenants of RUNAWAY BAY to be duly executed this 15th day of April 2008.

Runaway Bay Homeowners Association, Inc.

BY: _____, President

_____, Secretary

COMMONWEALTH OF VIRGINIA
City of Lynchburg

I, a Notary Public of the County and State aforesaid, certify that _____ personally came before me this day and acknowledged that she is the Secretary of Runaway Bay Homeowners Association, INC., a Virginia corporation, and that by authority duly given and as the act and deed of the said corporation the foregoing instrument was signed in its name by its President and attested by its Secretary.

Witness my hand and seal this _____ day of _____, 2008.

Notary Public: _____

My Commission Expires: _____